

Introduction and Air Permits Division Updates

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Air Permits Division

Texas Commission on Environmental Quality

Environmental Trade Fair 2011



SIP Gap Progress

- Public Participation – Revised Rules
 - Require 2nd notice for minor NSR applications
 - Effective June 24, 2010
- BACT Definition
 - Added federal definition for federal permits back into Chapter 116
 - Effective June 24, 2010



SIP Gap Progress

- Qualified Facilities
 - Clarified federal applicability
 - Made argument for no backsliding
 - Revised rules effective October 5, 2010



SIP Gap Progress

- Flexible Permits
 - Revised rules effective January 3, 2011
 - Clarified federal applicability
 - PAL-like monitoring, testing, recordkeeping, and reporting requirements
 - Eliminated 9% insignificant emissions factor



SIP Gap Progress

- NSR Reform
 - Clarified netting requirements
 - Clarified/corrected/incorporated by reference PAL requirements
 - Addressed 1-hour/8-hour ozone issue
 - Effective March 3, 2011
- PCP SP (Part of NSR Reform)
 - Effective February 9, 2011



EPA & SIP Gap

- EPA Disapproved:
 - Qualified Facilities rules, challenged in 5th Circuit by AG
 - Flexible Permit rules, challenged in 5th Circuit by AG
 - Most of NSR Reform rules, PCP SP challenged in 5th Circuit by AG
- EPA withdrew limited approval/disapproval of public participation rules -- has not acted on revised public participation rules
- Revised Rules - EPA has only acted on BACT definition reference in PSD rule (approved on 8/31/10)



“De-flexing”

- “Fair Notice” Letters to All Flexible Permit Holders
 - 9/20/10: opportunity to confer + 12/2/10: “clarification”
- De-flex Applications *(as of 4/15/11)*:
 - 60 applications submitted
 - 44 amendments, 13 alterations, 2 new & void
 - 20 issued & 40 pending
 - 102 active flexible permits remain



Title V Objections

- EPA Objects to Multiple Items, Including:
 - Incorporation by Reference (“IBR”)
 - Flexible Permits
 - Qualified Facility Rule
 - Permit Shield
 - 111.111 Vent
 - Compliance Certification
 - Monitoring, Recordkeeping & Reporting



Title V Objections

- March 18, 2011 Letter (on TCEQ website)
Lists All the Objections and EPA's
Response
- TCEQ is Working With Companies and
EPA to Resolve All Objections



Maintenance, Startup, and Shutdown

- Working Chemical and Carbon Black Permits
 - April 30, 2011 - Enforcement discretion date (chemical)
 - May 30, 2011 - Enforcement discretion date (carbon black)
- Received Power Plant Applications in January 2011
- Rulemakings for Oil and Gas PBR and Standard Permit



Oil and Gas PBR and Standard Permit – Barnett Shale

- Effective April 1, 2011
- Existing Sites Notify
- Tiered PBR Approach
- Standard Permit



Oil and Gas PBR and Standard Permit – Rest of State

- Written Comments Due May 31
- 7 Outreach Meetings Conducted:
 - Austin, Tyler, Corpus Christi, San Antonio, Amarillo, Midland, & Fort Worth
- All Meeting Minutes Online Under *Air Permits Announcements*

http://www.tceq.texas.gov/assets/public/permitting/air/Announcements/Advisory/Agendas_Minutes/austinsh3-7-11.pdf



GHG - Significant Dates

- Effective January 2, 2011
 - Step 1: January 2, 2011 –
 - PSD “Anyway sources”
 - Step 2: July 1, 2011 –
 - PSD regardless of criteria pollutants
 - Title V
- GHG PSD FIP is Effective May 1, 2011



Who Will Review My GHG Application?

- EPA will review the GHG portion of PSD applications triggering federal GHG requirements
- TCEQ will continue to review applications for all other regulated pollutants in compliance with the Clean Air Act



How Do I Apply For a GHG Permit?

- EPA has stated they will instruct applicants to:
 - Use TCEQ forms to apply for a GHG permit
 - Include GHG BACT information in the PSD application to TCEQ
 - Send a copy of the PSD application to EPA
- EPA will provide further information for Title V applications at a later date



Contacts at EPA Region 6 for GHG PSD Permitting

- Melanie Magee
- Bonnie Braganza
- Send applications to:
 - U.S. EPA Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733
Attn: Air Permits Section (6PD-R)



Other Rules

- $PM_{2.5}$ – Adopted April 20, 2011
- *Additional rule packages in the queue:*
 - Oil and gas*
 - Concrete batch plant standard permit
 - inclusion of $PM_{2.5}$ and engines
 - Stationary engine PBR* (106.512)

**dependent on results of legislative action*



NAAQS Implementation

- New 1-hour NO_2 Standard
- New 1-hour SO_2 Standard
- New $\text{PM}_{2.5}$ Standard
- New Pb Standard



Other Air Permitting Issues of Interest

- Backlog – Continue to Push Chemical MSS Projects
- 82nd Legislative Session
 - Sunset (HB 2694) Bill passed
 - Amendments: MACT for EGFs & water cooling technology for EGFs
 - Sunset (SB 657) Bill - pending in committee after 4/19/11 hearing
 - Other bills.....



Questions ???

